

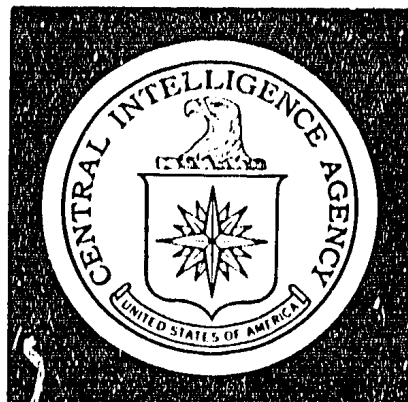
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DIRECTORATE OF  
INTELLIGENCE

# Intelligence Memorandum

*The Pompidou Government:*

*The First Eighteen Months*

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21 December 1970  
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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
21 December 1970

INTELLIGENCE MEMORANDUM

The Pompidou Government: The First Eighteen Months

Summary

On the 20th of June 1969, a page of French history was turned when Georges Pompidou was invested as the second President of the Fifth Republic. His election to that powerful office resulted from a year-long series of unusual events that began with the turmoil of the student-labor crisis in May 1968 and ended with De Gaulle's resignation in April 1969. The new president has concentrated primarily on domestic policy and has been particularly successful in setting France's economic house in order and in initiating needed reforms in the field of labor relations. In foreign policy, the main tenets of Gaullist policy have remained unchanged. Pompidou, however, has seemed less interested than De Gaulle in the relentless pursuit of grandeur and more concerned with promoting policies based on what he believes is a realistic estimate of France's capacity to influence events. De Gaulle's death in November had little effect on Pompidou or his policies, for he had long since become his own man. At the end of his first 18 months in office, he has convincingly demonstrated that the institutions of the Fifth Republic and "Gaullism without De Gaulle" are in fact durable and workable even though the guiding hands are those of a pragmatic banker-politician rather than a visionary soldier-statesman.

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Current Intelligence and coordinated with the Office of Economic Research and the Office of National Estimates.

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CONTINUITY AND CHANGE: 1968 - 1970

1968	May	Student-police clashes in Paris lead to massive student protest, and wildcat strike in aircraft plant soon mushrooms into general strike involving 10 million workers at its peak.
	June	National Assembly elections, held as result of dissolution of parliament during crisis, give an absolute majority to the Gaullists.
	August	France has successful test shot of its first thermonuclear device.
	November	De Gaulle refuses to devalue franc despite international pressures.
1969	January	Pompidou announces his "eventual" candidacy for the presidency.
	April	Referendum on regional and Senate reform defeated by margin of 53 percent.
		De Gaulle resigns as a result of referendum defeat; Alain Poher, president of the Senate, takes over as interim president.
	June	Presidential elections held in which Pompidou, on a run-off ballot, defeats Poher with 58 percent of the vote.
	July	France proposes a summit meeting of the Six.
	August	In first major action of Pompidou government, franc is devalued.
	September	Premier Jacques Chaban-Delmas announces the "new society," designed to improve the social climate by introducing a series of innovations in labor-management relations.
	December	Pompidou, at Hague Conference of the Six, publicly lifts the French "veto" on British entry into the Common Market.
1970	January	Defense Minister Michel Debre admits publicly that rumors of a major arms deal (100-plus planes) with Libya are true.
	February	Pompidou makes first official visit to the US of a French chief-of-state in a decade.
		Communist party, in throes of an intra-party dispute, expels liberal Politburo member Roger Garaudy and elects a deputy to act for ailing Secretary-General Waldeck Rochet.
	March	Student unrest flares up again but is quickly quelled by police.
	April	Government officially calls for an enlarged international conference on Indochina.
	July	Cabinet-level government delegation goes to Peking.
	September	Chaban-Delmas wins impressive parliamentary by-election, hailed as a victory for Gaullists.
	October	Pompidou, making state visit to the USSR, receives red carpet treatment.
		Government wins vote of confidence in National Assembly by massive majority.
	November	De Gaulle dies of circulatory ailment.
		Chaban-Delmas and Foreign Minister Maurice Schumann visit Poland in pursuit of "detente diplomacy."

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The Legacy of the De Gaulle Years

1. In his 11-year tenure as president, De Gaulle--once he had skillfully maneuvered France through its decolonization crisis--succeeded in bringing a degree of stability to France unknown since the interwar years. This record of stability was largely the result of the new institutions of the Fifth Republic and particularly the creation of a powerful presidency. Other factors unrelated to the formal structure of the government, however, also contributed: De Gaulle's own prestige and governing ability, the support engendered by the exigencies of the Algerian crisis, the emergence of a majority bloc of parties on the right committed to supporting Gaullist cabinets, and the steady economic growth that, at least until late 1967, had resulted in a significant increase in living standards.

2. Stability, however, had been purchased at a price. Beneath the surface, discontent began to grow because the regime was both inflexible and unresponsive to the demands of numerous groups within the society. Finally--and unexpectedly--the discontent erupted into widespread rioting and strikes that closed all of France's universities, spiraled into a general strike, and eventually paralyzed the economy. One of the "victims" of that crisis was then-Premier Georges Pompidou. Following national legislative elections--the elections themselves an outgrowth of the crisis--he was summarily relieved by De Gaulle of the office he had held for six years. The precise reason for his dismissal has never been revealed, but it probably stemmed from De Gaulle's belief that the premier, who made most of the day-to-day decisions during the student-labor imbroglio, had acted too independently. De Gaulle also needed a scapegoat, and Pompidou was the logical choice.

3. Although student and labor agitation subsided, a general state of uneasiness prevailed, especially in regard to the flagging economy. The

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Pompidou's investiture

November franc crisis did little to renew confidence in the government. France was once again thrown into a state of confusion in April 1969 when De Gaulle, choosing to interpret the defeat in a national referendum of his plan to reform the Senate and give greater autonomy to the regions as a vote of no confidence, resigned. Pompidou's presence in the wings probably accounted in part for the voters' willingness to defeat the proposal despite the General's announced threat to resign. Much of the force was gone from the "me or chaos" argument that De Gaulle had used so effectively in the past. In the runoff ballot against interim President Alain Poher, who was virtually unknown to the mass of Frenchmen before he took over for De Gaulle, Pompidou won almost 58 percent of the vote. De Gaulle retired to his estate near the quiet village of Colombey-les-Deux-Eglises, and Pompidou moved into the Elysee.

#### A New Style of Governing

4. For Elysee watchers, the burning question was "whither Pompidou?" To what extent would he be

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inhibited by the awesome shadow of his predecessor? How would the institutions of the Fifth Republic evolve under a man who lacked De Gaulle's stature? Did he share De Gaulle's dreams of global grandeur and unrelenting independence? Could he hold together the massive but heterogeneous Gaullist majority in the parliament? A precise conception of Pompidou's domestic and foreign policy goals emerged only gradually, for he was careful in the early months to move cautiously, thus avoiding any public rebuke from the "exile" at Colombey.

5. The new president's style of governing, however, was readily discernible. Although clearly determined to ensure that ultimate responsibility and authority devolved on him, Pompidou nonetheless was at pains to avoid the isolated, one-man rule of his predecessor. His appointment of an energetic and talented politician and personality--Jacques Chaban-Delmas--as premier indicated that he intended to use the former National Assembly president in a key role. Specifically, he charged Chaban with the responsibility of pushing reform in the social and economic field and with guiding and placating the Gaullist party. Moreover, Pompidou began meeting regularly with Chaban and holding ad hoc ministerial sessions at the Elysee on specific problems. By appointing non-Gaullists to several important cabinet positions, he established a policy of "overture" to the center that is still paying dividends. These appointments, coupled with Pompidou's refusal to bow to Gaullist party pressure to retain arch-Gaullist Michel Debre as foreign minister, made clear early in the game that the new president intended to become the master of the Gaullist party. A measure of his political skill was his subsequent decision to appoint Debre to the less prestigious but still important post of Minister of State for National Defense.

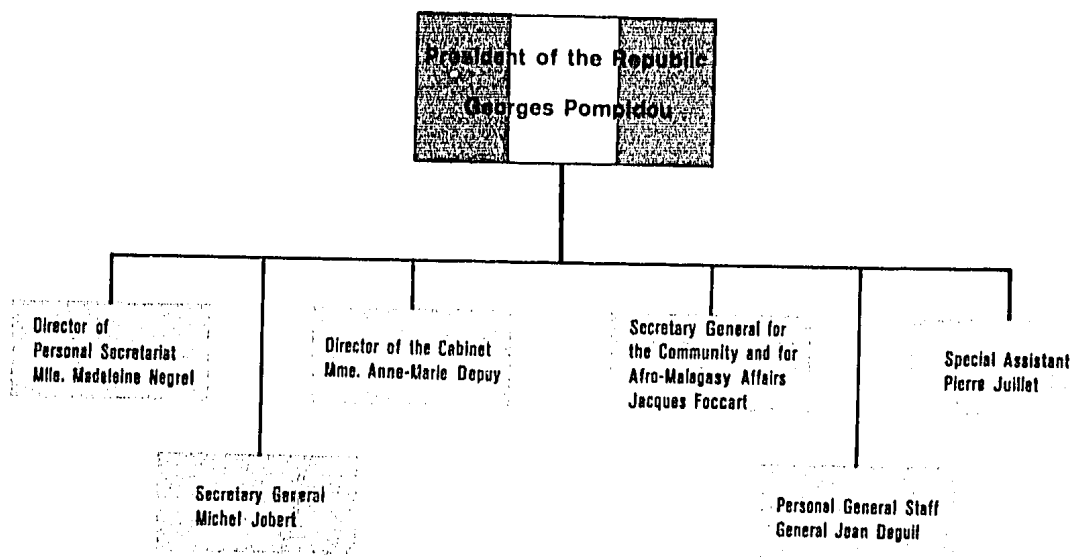
6. Recognizing that the parliament under De Gaulle had become virtually powerless, Pompidou sought to upgrade the role of the National Assembly and Senate in the governing process. In early

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**ORGANIZATION OF THE ELYSEE  
(PRESIDENTIAL PALACE)**



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speeches he was careful to stress the importance of parliament, and he convincingly illustrated his concern by having his ministers periodically appear before the two chambers to elaborate on government policy. Moreover, ministers were encouraged to consult with opposition leaders in both houses. Later, Chaban introduced a new procedure that encouraged parliamentary discussion of topical and significant questions. These gestures did not alter the fact that the real power of the parliament was substantially reduced under the Fifth Republic. They did illustrate, however, that the new government recognized that the Assembly and Senate should play a role in shaping the laws and policies of the nation.

7. It soon became clear that Pompidou intended to play a very active role--including giving detailed attention to economic subjects--in contrast to De Gaulle's practice of delegating authority until the time came to make a final decision. He was careful, however, to work primarily behind the scenes. Political observers noted that, for the first time in years, there was a real sense of give-and-take in the governing process.

#### Specific Problems Dealt With

8. By the time Pompidou assumed the presidency, the turmoil of the "events of May" had subsided, but the underlying problems that generated the crisis had yet to be dealt with. In particular, the lot of students and workers had somehow to be improved. The De Gaulle government had pushed an educational reform bill through the National Assembly, but its impact was limited because politicians both on the left and right opposed it, because the moderate majority of students were unenthusiastic, and because funds for implementation were limited. Settlements negotiated with the workers during the crisis had met their immediate demands for higher pay, better working conditions, and more fringe benefits; but labor found an additional cause for grievance when the government imposed an austerity program that seemed to hit hardest at the working class.

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9. The most pressing problem confronting the Pompidou government was the economy, which was still suffering from the effects of the May crisis. Massive capital outflows, a large foreign trade deficit, and extremely heavy speculation against the franc threatened to deplete French official reserves. The economic restrictions imposed by De Gaulle in the fall of 1968 had failed to reverse this trend. Pompidou, less dedicated than his predecessor to the principle of maintaining par value, devalued the franc in August 1969 and launched a "recovery" program that included tighter controls over credit and foreign exchange. These moves had little effect until October, when revaluation of the German mark removed speculative pressure against the franc. After October, French foreign trade began to return to normal, and the balance of payments is now in surplus. This remarkable turnabout in the French trade and payments position permitted Pompidou to direct his attention to other problems facing his government.

10. Shortly after the franc was devalued, dissatisfied workers launched a series of strikes that was coupled with an aggressive propaganda campaign led by the Communists. The government, making clear its readiness to discuss a wide range of economic problems, initiated an imaginative and forceful policy of consultation with labor and management. Even before the strikes, Chaban had spelled out a comprehensive program of reform, heralded as the "new society," which was designed to improve the social and economic climate and to promote cooperation among various sectors of the economy.

11. The government proceeded to implement a number of innovations in the field of labor relations, ranging from a "new deal" for blue-collar workers to new tactics in negotiations. The aim of the blue-collar program--perhaps the most far reaching and best received of the innovations--was to transfer these workers from hourly to monthly pay status and gradually to grant this sector of

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French society such fringe benefits as salary for sick, maternity, military, and holiday leave as well as seniority and retirement benefits. Another government innovation was "social contracts," designed to provide periods of social peace uninterrupted by strikes. Under the contracts, unions pledge to give 90-day notices before striking and receive in return a guarantee that wages will be automatically adjusted upward. Other important reforms included the revision of the legal minimum wage with annual adjustments and a share-holding program for Renault workers. The government also continued to implement the basic profit-sharing plan enacted into law in 1967. More important than any substantive reform, however, was the government's whole philosophy of consultation. For the first time in many years, unions and workers found there was a genuine dialogue with the government on problems of mutual concern.

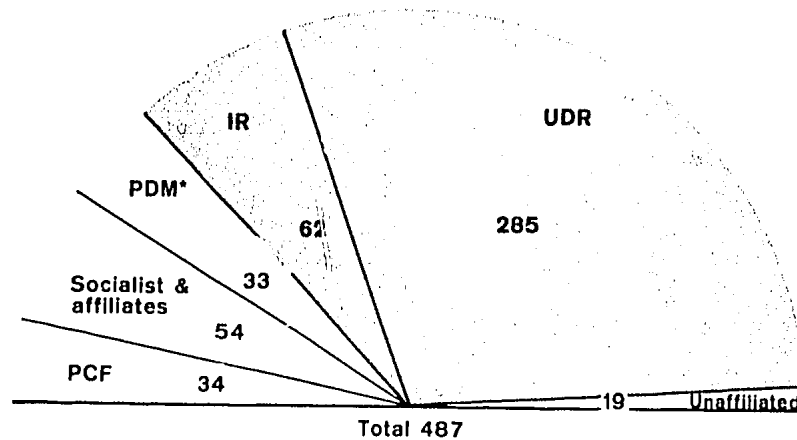
12. The new president also had to face the student problem. Pompidou pursued, although with less vigor than his predecessor, the reforms instituted under De Gaulle: the granting of greater autonomy and power to individual universities; the reduction of the power of the Ministry of Education in Paris; the authorization of councils designed to give students a greater sense of participation in university life; the introduction of courses of study designed to prepare students for positions in industry; and the reorganization of the traditional "faculties" into so-called "pluridisciplinary universities."

13. The students returned to school in fall 1969 without incident, but a serious confrontation between police and students occurred in March 1970, and terrorist bombings and violent demonstrations followed in May. The upshot was a loud public cry for "law and order." The National Assembly responded by passing--by a massive majority--harsh legislation that introduced for the first time into French law the doctrine of collective responsibility.


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**PARTY STRENGTHS IN THE NATIONAL ASSEMBLY  
AS OF OCTOBER 1970**  
ELECTED JUNE 1968



\* Some of those in the PDM, but not all, vote regularly with the Gaullist and are considered part of the coalition.

 Parties included in government coalition

UDR Union of Democrats for the Republic

IR Independent Republicans

PDM Progress and Modern Democracy

PCF French Communist Party

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14. Except for the spring outburst, the student population has remained relatively calm. The university community as a whole has seemed less militant, and activists appear to lack burning issues around which to mobilize. Many moderate students apparently have concluded that enough time has been wasted on politics and that serious study is now in order. Nonetheless, student unrest remains a major problem, and extremists are still capable of precipitating violent student confrontation with the police. In particular, gauchiste groups--far left extremist organizations proclaiming revolutionary goals--have a capacity for guerrilla action and remain a potentially dangerous element. The failure of the government to commit substantial new funds to the universities could spell serious trouble in the future.

#### The Parties

15. In the early months of office, then, Pompidou managed to set the economy on a firmer foundation, placate the workers, and dampen student unrest. His success in part resulted from the presence of a cohesive majority in the National Assembly. In the legislative elections of June 1968 the voters, fearing a total breakdown of the system, had returned almost 300 candidates of the official Gaullist party, the Union of Democrats for the Republic (UDR), and 56 Gaullist-allied Independent Republicans. After Pompidou became president, he further expanded his parliamentary base by including centrists in the cabinet, thus winning support from a portion of the center parliamentary group.

16. In the early months of Pompidou's tenure, the UDR was troubled by signs of rebellion and disaffection. Given the size and complexity of the majority and the fact that many still felt a loyalty to De Gaulle, such dissension was not surprising. The deputies also differed in their interpretation of Gaullism and what it meant in terms of specific

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actions or policies. Several smaller groups formed within the party, the most notable of which was a group of right-wing Gaullist loyalists called the Presence du Gaullisme, whose aim was to keep pressure on the government to maintain the general lines of De Gaulle's foreign policy.

17. Two factors probably helped to quell this disaffection. In the first place, Pompidou carefully balanced his statements of commitment to the main tenets of De Gaulle's foreign policy--statements designed to please "super Gaullists" like Debre--with indications that he believed himself strong enough to carry out his own domestic policies, such as the franc devaluation and cabinet appointments. Perhaps more important, De Gaulle was out of power and Pompidou in, and most Gaullists knew on which side their bread was buttered. Failure to back Pompidou and his program could lead to instability, collapse of the government, and new parliamentary elections--a prospect few of them relished. Support for Pompidou, on the other hand, probably ensured that they would hold their seats until mid-1973, when their five-year terms expired. Faced with these alternatives, virtually all of the Gaullists decided to stay in the party and have voted consistently with the government. Former cabinet minister and left-winger Louis Vallon, the only Gaullist openly to oppose the government, was expelled by the UDR in late 1969.

18. Pompidou was aided not only by relative unity within the Gaullist party, but also by the disarray among the opposition parties. The parties of the left and center had suffered a crushing defeat in the 1968 elections, most of them losing at least half of the parliamentary seats they had formerly held. Cooperation between the leftist parties and the Communists, already strained by their failure to work together effectively during the May crisis, was further set back when the Communist party ultimately knuckled under to Moscow during the Czechoslovak crisis.

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19. By the time Pompidou took office, none of the non-Communist opposition parties posed any real threat. Leftist Jean-Jacques Servan-Schreiber, former editor of the weekly magazine l'Express, spearheaded a drive to revitalize the opposition, hoping to gather around him a coalition of both centrists and leftists who could challenge the government on selected issues. He himself won a stunning victory over Gaullist and Communist opposition in a parliamentary by-election in June 1970, raising anew hopes that the left might finally gird itself for action. In September, Servan-Schreiber tried to pull off another election upset, this time in a by-election in which Chaban was the opponent. First failing in his effort to persuade the left to unite behind a single candidate, Servan-Schreiber ultimately decided to run himself and lost decisively to Chaban. The whole affair was an impressive victory for the Gaullists and a decided setback for the opposition, which now seems even further from its goal of mounting an effective political challenge.

20. The Communist party was potentially the only opposition when Pompidou assumed the presidency. Initially the party pursued a very militant policy but soon decided that this was jeopardizing its efforts to gain political respectability. The Communists may also have concluded that Pompidou, who had taken a very stiff line against party agitation, was more likely than De Gaulle to take a tough stance. Communist leaders therefore renewed their efforts to form an alliance with the non-Communist left, initiating a dialogue aimed ultimately at achieving leftist unity. The most recent product of this effort was an agreement this month between the Communist trade union arm The General Confederation of Labor (CGT), and the Socialist French Confederation of Democratic Workers (CFDT) to work jointly--for the first time since 1966--for labor reforms.

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### CONTINUITY

De Gaulle: "The indivisible authority of the state is fully delegated to the President by the people who have elected him, and there is no other ministerial, civil, military, or judicial power which can be conferred or preserved other than by him.... The President who appoints the government has been elected by the nation, and therefore he is invested with its confidence.... The President, who is responsible for ensuring the continuity of the form of government, has also the means of doing so...."

(Press conference, 31 January 1964)

Pompidou: "The President of the Republic is supreme head of the Executive, guardian and guarantor of the Constitution, and is responsible in both these capacities for providing the fundamental drives, defining the essential directions and ensuring and controlling the proper functioning of the government. He is both arbiter and holder of the highest responsibility in the nation."

(Press conference, 10 July 1969)

*and*

### CHANGE

De Gaulle: "If England has now asked to join it [the Common Market], but under its own conditions, this certainly presents...very large problems.... It is...possible that some day England will succeed in transforming itself sufficiently to form a part of the European community without any restrictions, reserves, and preferences. In such a case, the Six would open their door to it and France would not raise any obstacles...."

(Press conference, 14 January 1963)

Pompidou: "This proved to everybody the sincerity of the statements I had made as soon as I assumed power, when I said that France would not veto Britain's entry into the Common Market. I wish that the negotiations which are to open sometime next year will prove that Britain has truly decided to turn toward Europe. France, for her part, will only rejoice over it."

(TV address, 15 December 1970)

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Foreign Policy: Style and Substance

21. Before it was clear what precise foreign policy goals Pompidou might pursue, it became apparent that his style differed markedly from that of De Gaulle. Although he continued to use Gaullist rhetoric when it suited his purposes, the words carried less conviction. In his early addresses Pompidou eschewed the mystical, oracular declarations about France's "mission" or "world role" and instead spoke in matter-of-fact fashion of the problems facing France. It soon became clear that he lacked the charisma--and perhaps the desire--to project himself as the embodiment of a French nation destined to play the role of a global power.

22. Despite the change in style, Pompidou could see a number of reasons for refraining from substantive policy shifts in many areas. For over a decade De Gaulle and his followers had voiced a coherent foreign policy that had the respect of virtually every sector of French society--the general public, the press, the university, the Gaullist party, and the professional diplomats. Because of this support, and because Pompidou lacked a coherent, comprehensive alternative of his own, he decided to follow the broad policy lines laid down by the General. Thus, he accepted De Gaulle's policies of detente with the Soviet Union and Eastern Europe; of opposition to the US role in Vietnam, coupled with a readiness to inject France into any ultimate Southeast Asia settlement; of a continued French presence in Africa; of emphasis on good relations with China; and of a French role, within a four-power context, in the Middle East. And he, like De Gaulle, spoke of the desirability of independence and freedom of action; of the need to oppose big-power hegemony, supranationalism, and military integration; and of the values of an independent nuclear force.

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Europe

23. The first indication that a specific break with certain Gaullist foreign policies might be in the offing was Pompidou's appointment of the centrist and Europeanist Maurice Schumann as foreign minister. And it was in the broad area of European integration--specifically the enlargement and strengthening of the European Communities (EC)--that Pompidou first acted. The new president initially moved cautiously toward implementing a new line on the EC. Before agreeing to open negotiations on British entry, he made clear that the other five partners would have to meet certain conditions, the most important of which was agreement on a common negotiating position and on agricultural financing.

24. At the Hague summit of the Six in December 1969, an informal agreement that negotiations with the applicants could begin shortly was reached, in part because of close cooperation between Bonn and Paris. In a press conference later that month, Pompidou proclaimed that "... France would not veto Britain's entry into the Common Market." In the same speech, however, he echoed the Gaullist line by stressing the need for increased cooperation in virtually every area except that of politics. The significant fact was that Pompidou not only largely escaped any adverse reaction to his policy shift but in fact won high praise at home for "relaunching Europe." His performance at the summit was hailed by nearly all French media as a personal triumph as well as a triumph for France and Europe.

25. Pompidou's more flexible policy toward the EC, coupled with his obvious desire to cement relations with Bonn, made clear his preoccupation with building Europe and ensuring a prominent French role there. But he had to face more squarely than De Gaulle the issue of growing German economic and political power. Bonn, in pursuing Ostpolitik was, in French eyes, essentially following the path carved out by Paris, and Pompidou both publicly and privately

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reaffirmed his support. There have been indications, however, that he is concerned over the pace of Bonn's new drive, primarily because of fear that France's influence in the process of European detente might decline. This concern has shaped his attitude toward two issues currently at the heart of East-West relations--the four-power Berlin talks and a possible conference on European security. On both issues, France has taken a cautious stance, although leaving open the possibility of tactical shifts. Paris' caution in part stems from genuine worry about preserving Western Rights and strengthening negotiating positions, but it also hopes to use both issues as vehicles to reassert its claim to an active role in East-West relations.

#### The Mediterranean

26. While seeking to modify Gaullist policy in the European arena, Pompidou also moved to define more precisely France's role as a Mediterranean power. The most pressing problem in this area was the Arab-Israeli conflict, and the first question for decision was whether to maintain the pro-Arab position that De Gaulle had adopted. Although initially he apparently toyed with the idea of adopting a more conciliatory policy toward Israel, he ultimately seems to have decided that France's interests lay basically in the Arab world. With the hope of expanding French influence in the Mediterranean, he actively sought to expand French arms sales in the area and to strengthen political and cultural ties. To that end, a massive arms agreement, which included more than 100 aircraft and was worth over \$300 million, was signed with Libya. Despite numerous rumors in the past six months that the Libyans might want to decrease the number of planes, the French have given no hint that the deal is not still in effect at this point. Arms agreements were also signed with Algeria, Spain, and Greece; and Foreign Minister Schumann made a good-will tour of all of the North African countries.

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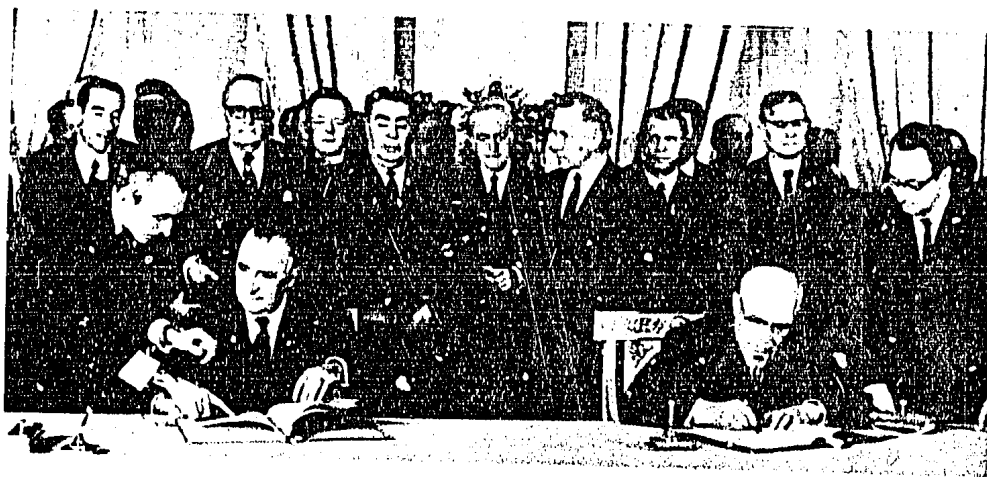
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27. Taken together, Pompidou's moves suggest the emergence of a French strategy aimed at extending and deepening France's influence throughout the Mediterranean, from Spain and Morocco in the West to Greece and Libya in the East. Like De Gaulle, Pompidou believes that France has a "natural" role to play in this area. Concrete political and economic realities underlie his moves. He is aware that large arms sales throughout the Mediterranean could substantially improve France's financial position. Moreover, he is concerned about both the increasing influence of the USSR in the area and the possibility that France's oil supply will be endangered. Finally, there is a lingering fear that a direct Soviet-US confrontation in the Middle East might escalate dangerously unless France continues to act as a third force in the area. This "new" policy in the Mediterranean differs from that pursued by De Gaulle only in its greater urgency and intensity.

#### The Big Powers

28. The fact that Pompidou has tended to concentrate his interest in Europe and in the Mediterranean suggests that he prefers working closer to home in the areas where France's role might conceivably be magnified. He has not, however, neglected those other spheres of interest so dear to



Pompidou in Moscow

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Pompidou in US

Gaullist hearts. His week-long visit to Moscow in October 1970 was evidence that both sides valued the "special relationship" carved out by De Gaulle in 1966. The only tangible political result of the visit was a protocol regularizing political consultations. Although neither side appeared to attach genuine significance to the agreement, it served as a symbolic affirmation that both countries wanted to revive stagnant bilateral ties. Pompidou in particular wanted assurance that Bonn's Ostpolitik would not relegate France to the sidelines. The trip was also part of a delicate balancing act between East and West. Pompidou in February had traveled to the US in the first official visit there of a French chief-of-state in a decade. The warming trend in Franco-American relations had begun under De Gaulle, and Pompidou's trip affirmed continuing French interest in improving bilateral ties without, however, reducing French independence.

29. Another cherished Gaullist aim was eventually to restore to France some of the influence

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it lost in Southeast Asia after its humiliating pullout in 1954. Pompidou, too, has continued to voice the French thesis that France has a special role to play there by virtue of its past ties and its present good relations with all interested parties. To that end, he has advocated, as did De Gaulle, the convening of an international conference in which all interested parties would negotiate an Indochinese settlement. Clearly he hopes that France would occupy a leading position in any such conference. On the whole, however, Southeast Asia has not preoccupied Pompidou to the same extent that it did De Gaulle, and France essentially has maintained a low profile on the issue.

30. Pompidou has made gestures that demonstrate his interest in improving France's ties with Communist China. The friendly reception accorded by Chinese leaders to a cabinet-level French delegation in July 1970 and to former prime minister Maurice Couve de Murville and their promise that a ranking Peking official would visit Paris in the near future are probably seen by Pompidou as hopeful signs that France may yet be able to promote warmer relations with the Chinese.

#### Africa

31. "Continuity" is the watchword for French policy in Francophone Africa. Although less sentimental and emotional than De Gaulle about this area, Pompidou clearly intends to pursue his predecessor's basic policy of maintaining close relations with sub-Saharan Africa. His announcement of a visit to Africa in February is a public reaffirmation of this. He, like De Gaulle, has used economic aid and trade as a means of reinforcing the French presence there. Last spring Paris affirmed that it hoped to maintain and perhaps even increase the level of its aid. Foreign Ministry officials also indicated that the government would like to develop a fuller range of programs in the former Belgian territories and expressed interest in expanding aid activities in the English-speaking countries of West and East Africa.

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32. The movement toward rapprochement with Guinea, efforts to improve Franco-Algerian relations through current negotiations, the decision to tighten the arms embargo against South Africa, the announcement of continued financial aid to Chad despite the scheduled withdrawal of French combat troops next year, and the expansion of arms sales to some African states have all been facets of French policy in the past 18 months. Although relations with the African Francophone countries are for the most part good, Pompidou continues to have difficulties with the radical regime in Congo-Brazzaville and with Central African Republic President Bokassa. Nevertheless, Pompidou, through his influential Secretary-General for Afro-Malagasy Affairs Jacques Foccart--a power also in De Gaulle's time--has given every indication that he plans to maintain a strong French presence in Africa.

Impact of De Gaulle's Death

33. By the time De Gaulle died in November 1970, Pompidou had already charted his own course.



De Gaulle's casket

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Thus, De Gaulle's passing is unlikely to bring about any major changes in French foreign or domestic policy. The main difference that his death has made is that Pompidou is no longer even partially under the shadow of his predecessor. The General's death may also have subtly altered the balance of political forces in France. The personality of "le grand Charles" was so overpowering that Frenchmen--and foreigners--found it difficult to be neutral about him. With his death, the conflicting emotions of those who admired him intensely or hated him relentlessly are lessened. Consequently, there may now be a reduction in the tensions between pro- and anti-Gaul-  
lists.

#### Outlook

34. The first measure of Pompidou's success in office may simply be this: despite the crisis atmosphere that prevailed in the year before he took over, he has managed to avoid any major crises in his first 18 months in office. In characterizing the domestic situation, the phrase "stability with progress" would be apt. Certainly in the social and economic sphere the government has made a genuine effort to redress labor's legitimate grievances. The problems of other dissatisfied segments of the society--small shopkeepers, farmers, students--have been given less concentrated attention. Of these groups, the students pose the only real threat to stability, and Pompidou could be in serious trouble at some point in the future if he does not give greater priority to comprehensive educational reform.

35. Long promised structural reforms also have been given insufficient attention. If Pompidou is to achieve his goal of transforming France into a modern, industrial society, he must promote administrative and tax reform, as well as decentralize authority and transfer greater autonomy to the regions. A sound economy is the prerequisite for such

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ambitious changes, and France is not yet on solid ground. Certainly, on balance, the recovery program has been a qualified success, but Pompidou is now facing the difficult problem common to most other Western countries of spiraling wages and prices coupled with rising unemployment. His success in achieving a balanced policy to deal with these problems will be a major factor in determining France's rate of progress toward modernization.

36. In foreign policy, Pompidou has concentrated for the most part on quiet but steady promotion of French interests in areas of traditional Gaullist concern. He will continue basically to operate within the framework of Gaullism not because he feels constrained to do so, but because he considers this framework to be in France's best interest. What should not be overlooked, however, is the degree to which he has left his own mark on foreign affairs. The shift on British entry into the EC has been the most dramatic example, but his initiatives in the Mediterranean are also significant. In these areas as in others his freedom of maneuver is considerably circumscribed by both internal and international factors.

37. Without doubt, Pompidou's confidence has grown in the last 18 months, and this new sense of assurance may lead him even more forcefully to promote French interests. He probably will concentrate particularly on strengthening France's position in Europe. Certainly he will continue to promote an active French role in the detente process, and he may seek to capitalize even more on his "special relationship" with Moscow to give him added leverage. Good Franco-German ties will remain an important feature of French foreign policy, but moves aimed at countering German political and economic strength may also assume increasing importance. It is in part because Pompidou recognizes the need for a counterweight to Bonn that he is improving relations with the UK and will continue to support British entry into the EC. This does not mean,

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however, that he will not keep on driving a hard bargain on this and other issues involving the strengthening of the Communities.

38. It is apparent that Pompidou's early intensive efforts to expand the French presence in the Mediterranean have met some setbacks. There is less talk now of a "Mediterranean pact" or a "lake of peace," slogans that figured prominently in behind-the-scenes French statements in early 1970. Primarily because of indecision in Tripoli, the Libyan arms deal may still fall through. And though he continues to court the Arab states, Pompidou has not yet been able to make the four-power format the focus of Middle East peace efforts. His interest in the area, however, is not likely to diminish, and he probably will continue to increase arms sales on a selected basis, expand trade, and enhance political and cultural ties.

39. The municipal elections scheduled for March 1971 in France's 38,000 communes will serve as Pompidou's first big political test. Even though local rather than national issues usually decide the outcome of French municipal elections, the results will be interpreted in many quarters as a measure of the degree of support for Pompidou. The UDR has always been relatively weak in local communities and has never had a grass-roots political base commensurate with its parliamentary strength. If the new Gaullist deputies swept into the parliament in the 1968 landslide can secure local anchors in municipal councils, their chances of keeping their massive majority in the 1973 national legislative elections will be improved. The party will probably practice "ouverture" to the hilt, making pragmatic alliances wherever possible to gain a seat or two on councils it cannot hope to control. The Gaullists will seek a good showing in the elections in order to prove that "Gaullism without De Gaulle" can work.

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